

## COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"
900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331

http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

November 05, 2014

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

**ADOPTED** 

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

38 of November 5, 2014

SACHI A. HAMAI EXECUTIVE OFFICER

# AWARD OF CONTRACT FOR AS-NEEDED LEAK DETECTION PROGRAM (SUPERVISORIAL DISTRICTS 3, 4, AND 5) (3 VOTES)

#### **SUBJECT**

This action is to award a contract for as-needed leak detection service in the Los Angeles County Waterworks Districts and the Marina Del Rey and Rancho Los Amigos Rehabilitation Center Water System.

#### IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act.
- 2. Award the contract for As-Needed Leak Detection Program in an annual sum of \$35,000 to Utility Services Associates, LLC. This contract will be for a term of one year commencing on December 5, 2014, or upon execution by both parties, whichever occurs last, with four 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential contract term of 66 months and a maximum potential contract sum of \$192,500.
- 3. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required; and to adjust the annual contract sum for each option year over the term of the contract to allow for an annual cost-of-living adjustment in accordance with County policy and the terms of the contract.
- 4. Authorize the Director of Public Works or her designee to execute the contract; to renew the

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contract for each additional renewal option and extension period if, in the opinion of the Director of Public Works or her designee, Utility Services Associates, LLC, has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to provide as-needed and intermittent leak detection service within the Los Angeles County Waterworks Districts (Districts) and the Marina Del Rey and Rancho Los Amigos Rehabilitation Center Water System. The work to be performed will consist of leak detection service to maintain and improve water distribution system operations. The Department of Public Works has contracted for this service since 2002.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/Fiscal Sustainability (Goal 1), Community Support and Responsiveness (Goal 2), and Integrated Services Delivery (Goal 3). The contractor who has the specialized expertise to provide this service accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

#### FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The contract is for an amount of \$35,000 plus 10 percent for additional, unforeseen work within the scope of the contract and an adjustment to the maximum contract sum for cost-of-living adjustments in accordance with County policy and the terms of the contract. This amount is based on the unit prices quoted by the contractor and our estimated annual utilization of the contractor's services.

Public Works successfully negotiated with the contractor to reduce their annual price by 3 percent for an estimated annual savings of \$1,056, without adding extension years or reducing service.

Funding for this service is included in the Waterworks Districts Funds Fiscal Year 2014-15 Budget. Funds to finance the contract's optional years and 10 percent additional funding for contingencies will be requested through the annual budget process.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The recommended contractor is Utility Services Associates, LLC, located in Seattle, Washington. This contract will commence on December 5, 2014, or upon execution by both parties, whichever occurs last, for a period of 1 year. With the Board's delegated authority, the Director of Public Works or her designee may renew the contract for four 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential total contract term of 66 months.

Leak detection is listed by the California Urban Water Conservation Council (CUWCC) as a necessary Best Management Practice for urban water suppliers. The Districts have been signatory to the CUWCC since 1997.

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The contract will be in the form substantially similar to the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director or her designee executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract with Utility Services Associates, LLC, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and the Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for this contracted service was submitted on June 10, 2014, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on an as-needed and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

The contract includes a cost-of-living adjustment provision, which is in accordance with the Board's Policy approved on January 29, 2002.

#### **ENVIRONMENTAL DOCUMENTATION**

This service is categorically exempt from the provisions of the California Environmental Quality Act (CEQA). This service is within a class of projects that has been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15306 of CEQA.

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#### **CONTRACTING PROCESS**

On June 11, 2014, Public Works solicited proposals from 40 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's "Doing Business With Us" website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On July 9, 2014, one proposal was received. The proposal was first reviewed to ensure it met the minimum requirements in the RFP. The proposal having met these requirements was then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, work plan, and references utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated, apparent responsive, and responsible proposer, Utility Services Associates, LLC.

Public Works determined the contractor's price to be reasonable for the work requested.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this contract will not result in the displacement of any County employees as this service is presently contracted with the private sector.

#### **CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

GAIL FARBER

Director

GF:GZ:cg

**Enclosures** 

c: Chief Executive Office (Rita Robinson)

Hail Farher

County Counsel Executive Office

## SAMPLE AGREEMENT FOR

#### AS-NEEDED LEAK DETECTION PROGRAM

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_, 2014, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and UTILITY SERVICES ASSOCIATES, LLC, a Washington Limited Liability Company (hereinafter referred to as CONTRACTOR).

#### WITNESSETH

<u>FIRST</u>: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on June 11, 2014, hereby agrees to provide services as described in this Contract for As-Needed Leak Detection Program.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Defaulted Property Tax Reduction Program; Exhibit F, Performance Requirements Summary; Exhibit G, Los Angeles County Waterworks Districts Map; Exhibit H; Sample Leak Report; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2, an amount not to exceed \$33,830 per year or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of one year commencing on December 5, 2014, or upon execution by both parties, whichever occurs last. The COUNTY shall have the sole option to renew this Contract term for up to four additional one-year periods and six month-to-month extensions, for a maximum total Contract term of five years and six months. Each such option shall be exercised at the sole discretion of the COUNTY. The COUNTY, acting through the Director, may give a written notice of intent to renew this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of renewing the Contract for the full one year, this Contract may be renewed on a month-to-month basis, upon written notice to the CONTRACTOR at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not provide a written notice of nonrenewal.

<u>FIFTH</u>: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the unit prices quoted in Form PW-2, Schedule of Prices.

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works Attention Fiscal Division, Accounts Payable P.O. Box 7508 Alhambra, CA 91802-7508

<u>SEVENTH</u>: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

<u>EIGHTH</u>: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: The Director may adjust the rate of compensation set forth in Form PW-2 (Schedule of Prices) annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index (CPI) for the Los Angeles Riverside-Orange County Area. The Contract's anniversary date shall be the effective date for any such cost-of-living adjustment. The percentage change in the rate of compensation shall equal 12 times the average monthly change in the CPI over the first nine months of the contract term preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to County of Los Angeles employees as determined by the County of Los Angeles' Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County of Los Angeles employee salaries; no cost-of-living adjustment will be granted. Where the County decides to grant a cost-of-living adjustment (COLA) pursuant to this paragraph for contract option years, it may, in its sole discretion exclude the cost of labor (including the cost of wages and benefits paid to employees providing services under this contract) from the base upon which a COLA is calculated, unless the contractor can show that his/her labor cost will actually increase.

<u>ELEVENTH</u>: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through H, inclusive, the COUNTY'S provisions shall control and be binding.

<u>TWELFTH</u>: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

<u>THIRTEENTH</u>: This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

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IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

	COUNTY OF LOS ANGELES
	By Director of Public Works
APPROVED AS TO FORM:	
MARK J. SALADINO County Counsel	
ByDeputy	UTILITY SERVICES ASSOCIATES, LLC
	By Its President
	Type or Print Name
	By Its Secretary
	Type or Print Name

#### **Bid Detail Information**

Bid Number: PW-ASD 924

Bid Title: As Needed Leak Detection Program

Bid Type: Service

Department: Public Works

Commodity: LEAK DETECTION SERVICES: GAS, WATER, CHEMICAL

Open Date: 6/11/2014 Closing Date: 7/9/2014 5:30 PM

Bid Amount: \$35,000 Bid Download: Not Available

Bid Description: PLEASE TAKE NOTICE that Public Works requests proposals for the contract for As Needed Leak

Detection Program (2014-AN021). This contract has been designed to have a potential maximum contract term of five years consisting of an initial one-year term and four potential additional one year option renewals. The total annual contract amount of this service is estimated to be \$35,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at http://dpw.lacounty.gov/asd/contracts or may be requested from Mr. Benjamin Sandoval at (626) 458 7334, bsandoval@dpw.lacounty.gov, Monday through

Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT http://dpw.lacounty.gov/asd/contracts.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document including, but not limited to:

- Proposer must have a minimum of three years of experience providing leak detection services.
   Subcontracting is not allowed to meet this requirement.
- 2. Proposer and/or subcontractor must submit their equipment's most recent valid and active calibration certifications by the National Institute of Standards and Technology or its equivalent.

A Proposers' Conference will be held on Wednesday, June 25, 2014, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room B. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within three business days from the date of the conference.

The deadline to submit proposals is Wednesday, July 9, 2014, at 5:30 p.m. Please direct your questions to Mr. Sandoval at the number listed on the previous page.

Contact Name: Benjamin Sandoval Contact Phone#: (626) 458-7334

Contact Email: <u>bsandoval@dpw.lacounty.gov</u>
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